



S H A R P E J A M E S

MAYOR

NEWARK, NEW JERSEY

07102

January 15, 2002

To: The Newark Municipal Council

**RE: 2002 MANAGEMENT AND FINANCIAL PLAN**

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As your Mayor I am pleased to introduce Newark's 2002 Management and Financial Plan. This is the sixteenth budget that I have presented to the Municipal Council during my tenure as Mayor. We would have preferred to introduce our budget with a Certification of State Aid from the New Jersey Department of Community Affairs, but since that is not possible, the revenue anticipated as state aid in my Plan is subject to the passage of the State's 2002 budget.

Once again in 2001, Newark's performance exceeded our highest expectations. However, just as we cannot control the external events that impact our lives, municipal government can never control all the factors that affect its costs. This truism was forcefully demonstrated on September 11, 2001. This was a day that changed the world and the "bottom line" of America's cities. Not only are we still suffering the aftereffects of the attack on America, but also the vibrant economy that so dramatically lowered unemployment rates in this region and the City of Newark has taken a downturn.

Yet here in Newark we continue to remain optimistic and to see our glass as half full, rather than half empty. While the nation struggles through the current recession, Newark's growth during the late 1990's is helping to sustain us through this difficult period. Let me assure you, we are well positioned to take advantage of new and exciting opportunities as the country emerges from recession. With Newark's Management and Financial Plan as a guide, I have every confidence that 2002 will be even better than last year.

If one “message” from September 11 rings loudly and clearly, it is that government lies at the vital center of the lives of all Americans. None of us chose a horrific crisis to make this point. However, as one winner of the New York Marathon once said, “The will to win means nothing without the will to *prepare*.” On September 11, Newark *was prepared*. And, in partnership with government at all levels of our democracy, as well as the private and nonprofit sectors, we are winning the war against fear and terrorism. However, this war is expensive. While we can and must pay the price, the buck, as usual, stops at the local level in city halls across America.

In order to keep winning and to continue our progress, our Management and Financial Plan relies more heavily than ever in 2002 on *productive partnerships* with all sectors of our local and regional economy. As former President Bill Clinton said when he was last in Newark, “It’s when you bring government and the private sector together that you can help communities.”

As we enter 2002, let us briefly reflect on how my management and financial planning has positioned Newark to maintain its momentum in the wake of the human and financial costs of the attack on America and the deepening of the national recession that has resulted:

- We have generated *\$9 million* by selling a watershed easement to the State. A partnership for progress with the state government for the benefit of residents and businesses.
- Our bond anticipation notes have received *top ratings*. A partnership for progress with the private sector to benefit the entire city.
- We have *graduated our 107<sup>th</sup> police recruit class* of 110 new officers, and budgeted for *two new classes of police recruits* for 2002, all of which will contribute to a continuing overall crime decrease in both residential neighborhoods and the CBD. A partnership for progress with all sectors of the Newark community.
- We have budgeted for *a new fire class*, to enhance the nation’s best and bravest department. A partnership for progress to benefit the entire city.
- We are continuing the construction of *affordable and market rate housing* in all five wards. A partnership for progress with the private and nonprofit sectors for the benefit of Newark residents.

- We are at work with the NHA on implementing our new Hope VI program, which will develop *a whole new Central Ward community* stretching from the old Hill Manor/Stella Wright sites to the former location of Hayes Homes. Seven hundred housing units and amenities are being built. A partnership for progress with the private and nonprofit sectors for the benefit of Newark residents.
- The *expansion of MBNA, and the relocation of SBLI and IDT* to Newark, both with the support of my administration. More jobs for Newarkers, through a partnership for progress with the private sector.
- Verizon, with the support of my administration, is in the midst of a *\$50 million renovation of the old NJ Bell Headquarters*, which will enable many employees to relocate to Newark. A partnership for progress with the private sector for the benefit of Newark.
- The *\$60 million International Public Health Research Institute at Science Park in the Central Ward* is soon to be completed, providing job opportunities for Newarkers and cutting edge medical research for our nation and our world. A partnership for progress with the private and nonprofit sectors for the benefit of Newark residents.
- The Port Authority/Continental Airlines' \$4 billion *Global Gateway Project* is proceeding at full speed, adding *10,000 new jobs for Newarkers* over the next 10 years. A partnership for progress with the private and nonprofit sectors for the benefit of Newark residents.
- The *Amtrak/NJ Transit connection to the airport monorail* has been opened, and northeast corridor trains now connect directly with Newark International Airport. A partnership for progress with the private and nonprofit sectors for the benefit of the Newark community and all who pass through our city.
- *Airport and Highway improvements*, such as the new Route 21 viaduct, continue and represent a partnership for progress with the private and nonprofit sectors for the benefit of our city.
- In our continuing efforts to develop a better and healthier city, we *have increased our immunization rate*; we are *suing the lead paint industry* to recover the staggering costs of abatement and to finance continuing needs. In the meantime, we are *increasing our lead inspections*. A partnership for progress with all sectors of our community for the benefit of our residents.

- Finally, in a list that could continue, I would add our continuing, *vigilant code enforcement and demolition programs* that are creating better and safer neighborhoods. These are partnerships for progress between the public and private sectors for the benefit of the citizens of Newark.

In addition to these exciting developments that are unfolding as a result of our prudent planning, let me cite four others that will further boost our city in 2002:

1. *\$10 million from the federal government in reimbursement for 9/11 expenses* that we have secured through vigorous advocacy and timely application for assistance;
2. *The U.S. Youth Games* that we will be hosting in Newark;
3. *The \$1.4 billion in school construction money* that comes on top of –
  - a. the completion of the *Shabazz Athletic Field*;
  - b. the relocation of the *Belmont-Runyon School*;
  - c. a new *Central High School*;
  - d. our new *Science High School*; and,
4. We will finalize an arena for Newark. In 2002, the puck stops here!

As you can see, the progress is continuing, through the productive partnerships we have established at all levels of government, and with the private and nonprofit sectors. Since 1986, each year in Newark has been better – and safer – than the last.

Our progress has not gone unnoticed.

- We witnessed the Newark Housing Authority going from worst to first and its Executive Director Harold Lucas being selected by President Bill Clinton as Assistant Secretary for Public and Indian Housing.
- We realized a significant reduction in crime and auto theft over the last five years. Our Police Director Joseph Santiago was selected by Governor James E. McGreevey as the new Superintendent of the 3,000 member State Police. A new partnership between the State of New Jersey and the City of Newark.

And, with the most important partnership of all, the one between the Mayor and the Municipal Council, I am confident that 2002 will continue the positive trend.

Sincerely yours,

Sharpe James  
Mayor

